SUPREME COURT, U. S.

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IN THE

Supreme Court of the United States

October Term, 1970

No. 700

ESCAMBIA CHEMICAL CORPORATION,

Petitioner,

versus

STAMICARBON, N. V.,

Respondent.

PETITIONER'S SUPPLEMENTAL BRIEF

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This Court granted a Writ of Certiorari to the Seventh Circuit in *Blonder Tongue Laboratories, Inc.* v. *University of Illinois Foundation and JFD Electronic Corporation,* October Term, 1970, No. 338, on October 19, 1970. It also granted the petition of the Finney Company for leave to file a brief *amicus curiae* on the same date.

The purpose of the present supplemental brief is to point up to the Court the fact that the fundamental issue which produced the conflicting decisions of the Seventh and Eighth Circuit Courts of Appeals in Case No. 338 is the same as the issue presented by the instant petition for Writ of Certiorari and to urge that certiorari be granted herein so that the two cases may be heard together.

In the present case, the Court of Appeals for the Fifth Circuit in holding that the subject matter of the van Waes patent in suit was nonobvious, stated (Petition, p. 31a):

> "First, we return to the same articles in the prior art book which we originally examined on the question of novelty. Basically, the processes described in this book teach the use of an oxide of some type while van Waes' patent teaches the use of pure oxygen or air. Even though oxygen was known as a passivator of stainless steel prior to the date of van Waes' invention, it was not known in the particular context of urea manufacture. There is some evidence—though not entirely satisfactory—that oxygen had been used to retard corrosion of stainless steel manufacture before 1945—by others than van Waes—but the bulk of the evidence in this context *came as a surprise to those people skilled in the art*. When this is joined with the statement in the prior art book that 'years of experience in the corrosion field have resulted in the conclusion that *practically every corrosion problem should be regarded as a distinct individual*,' we are left with no real basis for holding that the prior art would compel the conclusion that it was obvious to add oxygen to the manufacture of urea to prevent the corrosion of stainless steel" (Emphasis added.)

Despite the fact that oxygen had been used to passivate stainless steel in the production of chemicals other than urea, the Court of Appeals relied on the fact that the use of oxygen to impede the corrosion of stainless steel in the production of urea came as a surprise to certain people skilled in the art and, also, on the fact that experience had shown that every corrosion problem should be regarded as a distinct individual. In other words, although the proper treatment of corrosion in stainless steel was known, the

fact that a successful cure was unpredicable with respect to urea production made such treatment patentable. Therefore, concluded the Court of Appeals for the Firth Circuit, the prior art did not "compel the conclusion that it was obvious to add oxygen to the manufacture of urea to prevent the corrosion of stainless steel" as claimed by the van Waes patent in suit.

In *University of Illinois Foundation* v. *Blonder-Tongue Laboratories*, 422 F.2d 769 (7th Cir. 1969), the Court of Appeals for the Seventh Circuit, in holding the patent for a frequency independent unidirectional antenna unobvious under 35 USC §103, stated at page 773:

> "Shortly after 1954, the log-periodic principal of antenna design was developed. The structures designed in accordance with this principle have cyclic performance characteristics which repeat periodically as frequency is increased. Although some log-periodic structures have broadband characteristics, most do not. While a log-periodic structure can readily be designed by one using the log-periodic design principle, *it cannot be predicted* whether such a structure will have broadband characteristics and thus operate successfully as a log-periodic antenna." (Emphasis added.)

And also at page 775:

> "When Dr. Du Hamel learned that the Isbell antenna worked 'I was quite surprised at the simplicity of the structure, and my pride was a little bit hurt in that I had not thought of it, too, first. * * * At first I was somewhat surprised that they worked but after thinking more about it and thinking more about it and thinking back, then I was not surprised. At first I was surprised that it did work.'"

Therefore, the Court of Appeals for the Seventh Circuit, held valid a patent in which the claimed subject matter was derived from the logical exploration within known principles of the science on the grounds that such exploration achieved an unpredictable result and also on the grounds that a person skilled in the art was surprised at this result.

On the other hand, with the same prior art before it, the Court of Appeals for the Eighth Circuit held the same patent obvious and invalid in *University of Illinois Foundation* v. *Winegard Company*, 402 F.2d 125 (8th Cir. 1968). The court noted that the log-periodic formula for antenna design was a recognized theory within the calling and that plaintiff had adapted the log-periodic formula to obtain geometric proportional spacing across its bandwidth and frequency independent operation.

The court held that such evidence demonstrated that the subject matter of the Isbell patent was obvious to men skilled in the art at the time the invention was made despite the unpredictability of achieving frequency independent operation because "[T]he statutory standard of patentability under 103 is not 'predictability'." (402 F.2d 125, 127)

Petitioner submits that the Court of Appeals for the Fifth Circuit in the present case essentially based its holding that the van Waes patent in suit was unobvious on evidence indicating that the solution of corrosion problems cannot be predicted. As a result, the Court of Appeals for the Fifth Circuit, like the Seventh Circuit and unlike the Eighth Circuit in the Isbell patent litigations, accepted "predictability" as the statutory standard of patentability under §103.

Petitioner urges that a Writ of Certiorari be granted in this significant chemical patent litigation and that it be heard together with *Blonder-Tongue Laboratories* v. *University of Illinois Foundation*, October Term, 1970, No. 338; so that this Court may settle in a chemical patent case as well as a mechanical-electrical patent case, the questions of law of whether the concept of predictability may properly preempt the standard of patentability announced by this Court in *Graham* v. *John Deere Co.*, 383 U.S. 1 (1966) and whether the pre-1952 Patent Act ruling in *Mandel Bros.* v. *Wallace*, 335 U.S. 293 (1948) is controlling, where the prior art points the way and the results are "paradoxical" or "unpredictable by a skilled chemist", 325 U.S. 291, 295.

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* The patent owner is presently prosecuting actions for patent infringement against nine customers of petitioner's indemnitor, Chemical Construction Company, in various United States District Courts as follows:

Stamicarbon, N. V. v. *Hercules Incorporated, Monsanto Company, Shell Oil Company and Wyeon Chemical Company*, in the District of Delaware; *Stamicarbon, N. V.* v. *Cooperative Farm Chemical Association*, in the District of Kansas; *Stamicarbon, N. V.* v. *Valley Nitrogen Producers, Inc.*, in the Eastern District of Tennessee; *Stamicarbon, N. V.* v. *Arkla Chemical Corporation*, in the District of Delaware; and *Stamicarbon, N. V.* v. *Gulf Oil Corporation*, in the Western District of Kentucky.

CONCLUSION

For the foregoing reasons, it is urged that this petition for a Writ of Certiorari be granted.

Respectfully submitted,

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